

Article - Real Property

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§10–708.

(a) In this section, “transfer fee” means a charge payable on the transfer of an interest in real property or payable for the right to accept a transfer of an interest in real property.

(b) This section does not apply to:

(1) An instrument conveying a fee simple interest in real property that provides for consideration paid by the purchaser to the vendor for the interest being transferred;

(2) The payment of principal, interest, or fees under a mortgage loan agreement on the sale of property by the mortgagee;

(3) A limited liability company, limited liability partnership, corporation, joint venture, or partnership agreement in which a member, shareholder, or partner contributes real property to the limited liability company, limited liability partnership, corporation, joint venture, or partnership agreement;

(4) An agreement providing for a series of related transfers of a fee simple interest in real property if the agreement states the price of the transferred interest, any consideration exchanged, the name of the vendor, the name of the purchaser, and any other essential terms for each transfer of interest;

(5) An affordable housing covenant, servitude, easement, condition, or restriction in a deed, declaration, land sale contract, loan agreement, promissory note, trust deed, mortgage, security agreement, or other instrument, including instruments executed by:

(i) A public body;

(ii) An agency of the federal government;

(iii) A corporation whose purposes include providing affordable housing for low-income and moderate-income households;

(iv) A limited liability company with at least one member that is a corporation described under item (iii) of this paragraph;

- (v) A consumer housing cooperative; or
- (vi) A federally recognized Indian tribe;
- (6) A fee required to be paid to:
 - (i) A homeowners association as defined in § 11B–101 of this article;
 - (ii) A council of unit owners as defined in § 11–101 of this article;
 - (iii) A managing entity of a timeshare plan as defined in § 11A–101 of this article;
 - (iv) Any other owners association that is governed by recorded covenants, conditions, and restrictions; or
 - (v) An agent for an association or managing entity described in this paragraph; or
- (7) An agreement with a person licensed to provide real estate brokerage services under Title 17 of the Business Occupations and Professions Article to pay a commission to the licensee for the real estate brokerage services provided.
- (c) (1) A person who conveys a fee simple interest in real property may not record a covenant against the title to the real property for the payment of a transfer fee.
- (2) A covenant that requires the payment of a transfer fee on the conveyance of a fee simple interest in real property is void.

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